

# **LAND LOSS PREVENTION PROJECT**



**NER  
Appropriations  
Subcommittee  
Presentation**

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Executive  
Director**

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# BRIEF HISTORY & MISSION

## The Land Loss Prevention Project (LLPP) – 501(c)(3)

- Founded in 1982 by the North Carolina Association of Black Lawyers to stem the unprecedented losses of Black-owned land in North Carolina.
- Incorporated as an independent entity in 1983.
- In 1993, broadened its scope and field of work to provide legal support and assistance to **all financially eligible, low-resource farmers and landowners throughout the state.**

The Land Loss Prevention Project provides comprehensive legal services and technical support to North Carolina's financially distressed and limited resource farmers and landowners seeking to preserve their farms, land, homes, and rural livelihoods.

# BOARD & STAFF

The Land Loss Prevention Project is:

- Governed by a 13-member board of directors consisting of attorneys, farmers, educators, and community advocates.
- Ten (10) full-time staff members: consisting of the executive director, 6 staff attorneys including the deputy director, a program manager, a program associate, an administrative assistant; in addition to one part-time attorney and 2 law student interns fulfill the work of the nonprofit.

# STATE GRANT-IN-AID

The state grant-in-aid makes it possible for the Land Loss Prevention Project to –

- Provide free and/or reduced cost legal assistance to its clients
- Provide legal assistance that prevents the loss of clients' farms, land, homes, and rural livelihoods

## CLIENTS:

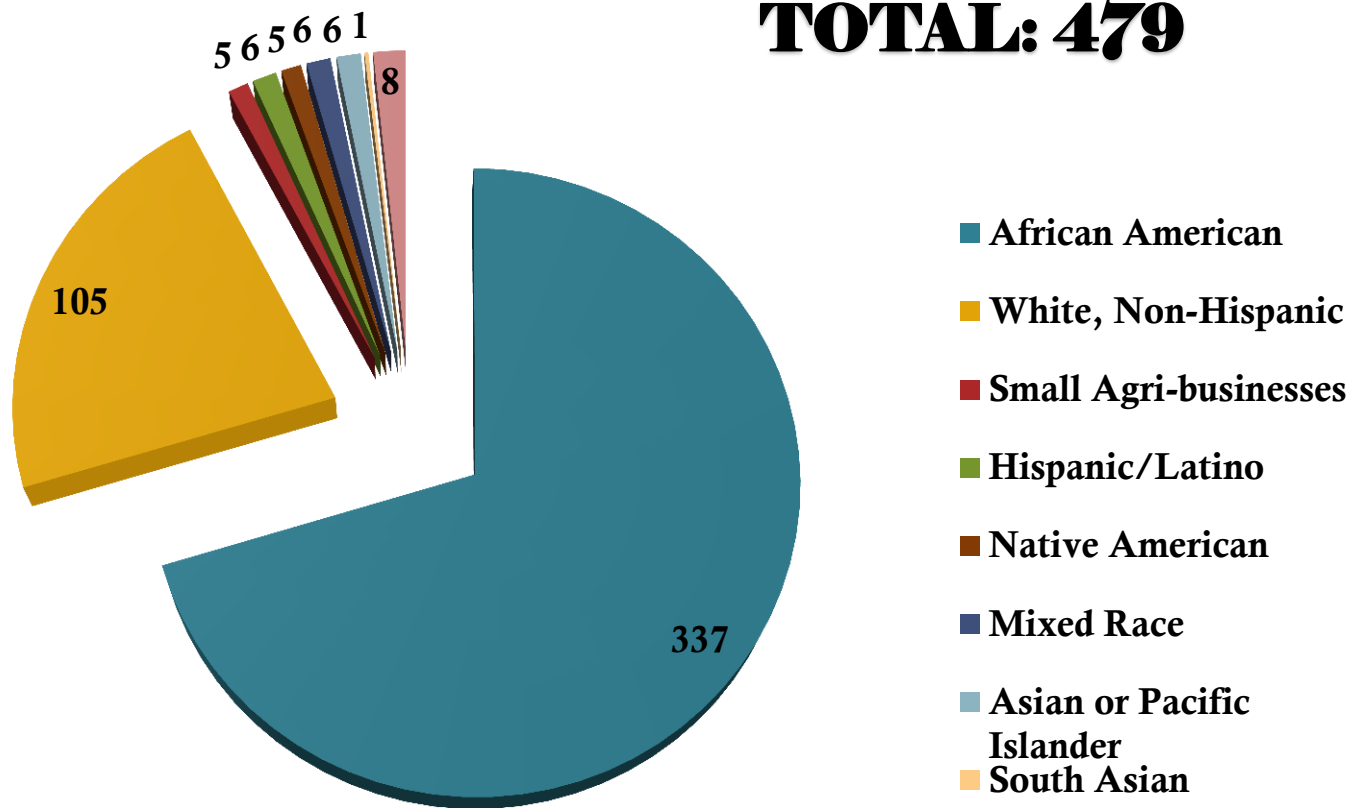
- Income-eligible farmers, landowners, and homeowners
- Income must not be above 187.5% of federal poverty level



*Peregrine Farm, Graham, NC*

# CLIENT PROFILE FY 2011-12

**TOTAL: 479**





# PROGRAM

The Land Loss Prevention Project:

- Conducts its work through two operational units:
  - **Litigation Unit**
  - **Sustainable Development and Environmental Unit**



*New Life CDC & Food Corp, Plymouth, NC*

# PROGRAM

**The Litigation Unit represents clients on a variety of legal matters such as:**

- Agriculture – farm foreclosure, poultry contracts, etc.
- Real property – heir property, trespass, boundary disputes, easements, and partition sales
- Bankruptcy – debt restructuring
- Consumer protection – foreclosure defense, predatory lending/finance issues
- Business – evaluating the benefits of an agricultural cooperative, incorporation and 501 (c)(3) applications
- Civil rights – specifically pertaining to US Department of Agriculture
- Regulatory matters – zoning and municipal services
- Conducts legal seminars and works collaboratively with other organizations to expand supportive legal services to low-resource farmers and landowners

# PROGRAM

## SmartGrowth Business Center (SGBC)

Within the **Litigation Unit** is an internal resource, the SGBC, that provides both legal representation and outreach to farmers who need business planning services in order to sustain their farming operations/businesses and develop a succession plan where desired.



*Pine Knot Farm 100<sup>th</sup> Anniversary – Orange County*

SGBC provides primarily transactional services such as:

- Business entity formation
- Contract review
- Counseling regarding the availability of federal programs and requirements of such programs
- Enhance risk management through use of business law



# PROGRAM

## The Sustainable Development & Environment Unit

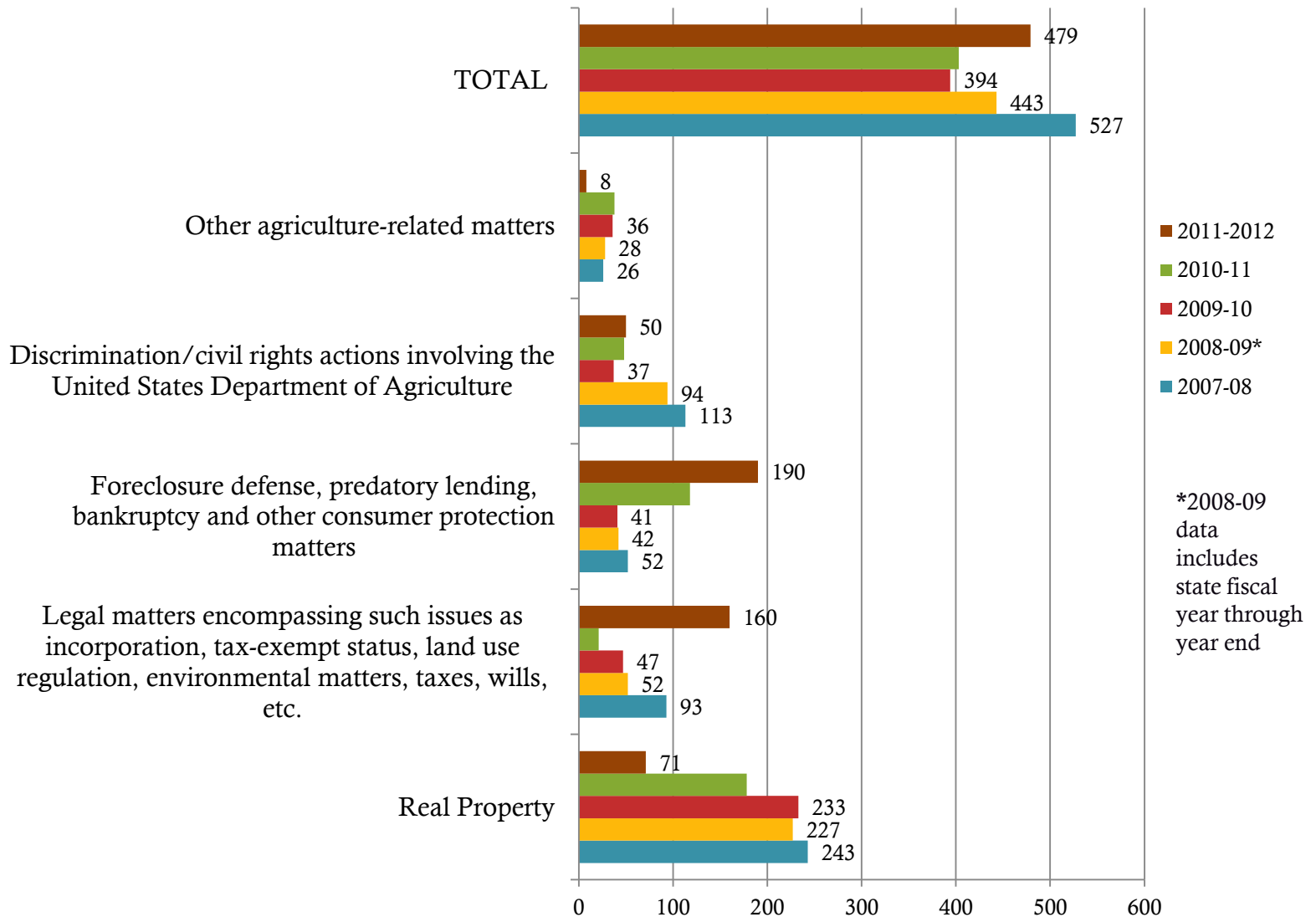


*Hoop Houses, Piedmont Region, NC*

- Helps small family farmers and landowners explore and implement market-driven, agricultural practices.
- Assists farmers with legal requirements of qualifying for environmental incentive and conservation programs.
- Works with state, regional, and national coalitions as well as funders and stakeholders in supporting and developing public policy and programs to promote farming and rural livelihoods.

# PERFORMANCE INDICATORS

## ❖ Total number of legal matters handled by the firm.



# PERFORMANCE INDICATORS

❖ **Achieving positive outcomes for clients served.**

CLIENT SERVICE SUMMARY					
	2007-08	2008-09	2009-10	2010-11	2011-12
Counties Served	73	78	77	75	71
Legal Matters Handled	527	412	394	396	484
Debt Relief/Loan Modification	Approx. \$500,000	\$786,064	\$2,049,429	\$1,240,939	\$1,217,385

NOTE: 2007-08 data not compiled, but estimated for the purpose of this presentation

# PERFORMANCE INDICATORS

❖ Achieving positive outcomes for clients served.

## CLIENT RELIEF IN DOLLARS

■ Debt Relief   ■ Preservation of Farmland/Homes   ■ All Areas





# PERFORMANCE INDICATORS

## ❖ Identifying clients' needs and adapting resources to meet those needs.

SmartGrowth Business Center was established to address those legal matters that could have been avoided had certain business law measures been in place

- Acquisition and management of farm credit and bankruptcy and foreclosures are key reasons clients seek help – representing bulk of problems that routinely lead to farm loss

Intervening and providing legal resources before there is a crisis can save farms, time and money

# SIMILAR ORGANIZATIONS

## Land Loss Prevention Project:

- One of few similar non-profit law firms in the country
- Only non-profit law firm in the state that provides expansive direct legal assistance to farmers and landowners in a variety of practice areas which includes:
  - Farm foreclosure
  - Farm credit programs
  - Farm related federal bankruptcy law
  - Agriculture-based business development law and finance
- 30 years of experience in agricultural law
- Works with other organizations (Legal Aid of North Carolina & North Carolina Housing Finance Agency) on home foreclosures using funds specifically awarded for foreclosures defense.

# BUDGET IMPACT

## **Reductions in state grant-in-aid have resulted in:**

- Loss of four staff attorneys – two have been replaced
- Created uncertainty regarding future funding
- Made retention of current staff more challenging in light of the perceived precariousness of funding
- Made adjustments in caseloads

## **Addressing reductions:**

- Working diligently to diversify funding base
- Successfully acquired a competitive grant from the United States Department of Agriculture – (Grant is for specific projects related to providing outreach and access to government programs – *not legal representation.*)
- Secured additional funding for home foreclosure prevention work through collaborative efforts with Legal Aid of North Carolina and the North Carolina Housing Finance Agency. (Such funding is time-limited.)

# BUDGET IMPACT

## **Challenges for the Land Loss Prevention Project**

- Federal grant is national and competitive with no guarantee of future funding
- Private foundations have curtailed general support funding
- Increased competition for all sources of grant funding
- Legal services are primarily free of charges
- Charging a fee to all clients would not be practical and would not generate sufficient revenues to operate the nonprofit
- Awards and monetary relief secured on behalf of clients go directly to the clients
- Only in limited cases, usually those involving settlements with the US Department of Agriculture, are attorneys' fees realized for the nonprofit



# BUDGET IMPACT

## Land Loss Prevention Project's Need for General Support

State's grant-in-aid pays the staff that provides the legal services and support to North Carolina's low-income, low-resource farmers and landowners.



*Orange County, NC*

Program delivery mechanism is the work of the staff attorneys

Given the income level of the nonprofit law firm's clients, there will always be a need for general fund support

# BUDGET IMPACT

## Impact of further reductions

- Would have an immediate and negative effect on the individuals currently served
- Would have to begin curtailing services statewide well before the expected date of such a cut
- Must adhere, as a legal entity, to certain professional and legal obligations to protect clients' rights – as such, legal staff would:
  - Gear up to finalize active files
  - Contact all clients with active files
  - Copy all client files & supply clients with their files
  - Withdraw as legal counsel for cases where appropriate
  - Assist clients in finding new attorneys, if possible. (Given the often insurmountable hurdle of securing legal assistance when one has limited or no financial resources, finding new attorneys would be particularly challenging.)

# SUMMARY

## The Land Loss Prevention Project:

- Provides essential legal services to the state's agriculture community
- Provided legal assistance to 479 low-income, low-resource farmers, landowners, and homeowners in 79 of the state's 100 counties in 2011-12
- Six staff attorney handled those 479 cases
- Secured \$855,938 in awards and monetary relief for farmer clients in 2011-12 – the tax value of farmland/homes preserved was \$416,263
- State grant-in-aid is critical to the nonprofits' operation
- State grant-in-aid is used as leverage for acquiring other funds



# THANK YOU!



*Pine Knot Farms, Hurdle Mills, NC*



# FOR MORE INFORMATION

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*School Garden, Goldsboro, NC*